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THE AGRICULTURAL SITUATION.

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

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MODERATELY GOOD PROSPECT

Progress of the crops holds the center of the stage at present. It has been all kinds of a growing season, opening up very early, cold in May, hot in early June, too dry in the East, Central West, and Southwest, too wet in portions of the North. On the whole, the spring planted crops except oats are in fairly good shape to date, but winter grains and grass are not showing up so well. Oats suffered from heat and drought and headed short. Haying is now well under way, with much of the crop short and weedy. It seems apparent that the supply of forage will be unusually dependent upon the weather during July and upon the outturn of fall crops.

Wheat harvest - the nation's most spectacular agricultural operation - is in full swing. The grain ripened prematurely over much of the western part of the Belt, and harvest is early. Threshings so far have turned out unsatisfactory yields but grain of fairly good quality. It appears evident that the winter wheat crop is decidedly short of last year's crop; so much so that the chief conjecture throughout the wheat-growing world is how the shrinkage in this country will balance up against better crops abroad. The spring wheat region from Minnesota to Montana has high hopes in spite of some local floods in the East and minor setbacks elsewhere.

Notwithstanding the attention just now focused on wheat, events in the Corn Belt are perhaps even more significant in relation to the general situation. The outlook there is apparently good. Hogs are relatively high priced and may go higher. The pig survey shows a decline of 11 per cent in the number of spring pigs compared to last year. Corn prices are not so high as to prohibit feeding. The corn crop was in the ground early, has made good progress, is generally clean and well tilled. Everything points to a profitable feeding season ahead. It is from conditions like this year, when price ratios furnish a stimulus to feeding, that the Corn Belt can usually hope for some degree of prosperity.

In the South, things are also coming along in fairly good shape, taken as a whole. Cotton is in all stages, with blooms beginning in the North while the first bale was ginned more than a month ago down in the Rio Grande Valley. Showers have helped conditions over parts of Texas and Oklahoma while in the East they have somewhat encouraged the boll weevil. All the Belt has been in need of good, soaking rains.

The central fact in the present outlook is that, while production will be ample, agriculture will not be in the market this fall with any unwanted surplus of the major products. Given strengthening livestock markets and fair feed crops, plus fair returns from wheat and cotton, farmers would come out of 1925 better than they have in most of the years since 1919. Of course, much can happen between now and the harvest of fall crops. Taken as a whole, the main crops promise fairly well except in case of winter wheat. The present nice balance in both livestock and crop production is a tribute to the readjustments made by American farmers since the fall of 1921.

KEY REGIONS AT A GLANCE

THE EAST - Suffering from effects of drought. Grains and grass light. Pastures poor to fair. Corn and potatoes doing fairly well. Haying and wheat harvest under way. Not much change in dairy industry. General tone of the region about like last year.

THE SOUTH - Generally too dry, though relieved by local showers through the east. Cotton doing fairly well in spite of some weevil damage in east and lice, grasshoppers and drought in the west. Corn, rice, cane and other crops making good progress except where too dry. General sentiment moderately optimistic.

CORN BELT - Been too dry, although corn has made good progress, on the whole. Crop now about waist high. Winter wheat harvest on, with straw short and grain yield poor to fair. Hay thin and short. General undertone of optimism based on corn outlook and strengthening livestock prices.

WHEAT BELT - Harvest swinging north up through Nebraska. Much grain ripened prematurely in western portion of Belt. Straw short and yields poor to fair. Much grain of fairly good quality, however. Spring wheat doing well as a whole, but with some flooded lowlands in eastern Belt, and local complaints of rust and insects.

RANGE COUNTRY - Range good and livestock generally in good condition except in south. Alfalfa, sugar beets, potatoes, fruit and other irrigated crops doing very well. In Arizona and New Mexico, drought is still pinching the ranges, and it is too dry in portions of Colorado and Utah. Situation as a whole a little more favorable than last year.

PACIFIC COAST - Had some hot weather but crops generally making good progress. Wheat harvest on in north; heat somewhat severe for spring wheat. Truck crops maturing in south; naval oranges well developed; shipment of lemons and valencias continues.

JUNE 1 PIG SURVEY

(Preliminary Report for Corn Belt)

Results of June Pig Surveys in Corn Belt to Date

Percentages of Preceding Spring

	1922	1923	1924	1925*
Sows farrowed	122.8	108.0	79.7	80
Pigs saved	-----	105.8	82.9	89

A decrease of about 20 per cent in the number of sows farrowing in the 11 Corn Belt States in the spring of 1925 compared with the spring of 1924 is indicated by a preliminary tabulation of the June, 1925, pig survey. This survey was made as of June 1 by the Department of Agriculture in cooperation with the Post Office Department through the rural carriers.

The number of pigs saved, however, is indicated as only about 11 per cent less this spring than last spring due to the larger number of pigs saved per litter. The weather during March and April this year was exceptionally favorable for spring pigs, and this condition, together with the smaller number of sows to care for and the increased value of hogs resulted in an increase of 11 per cent in the average number of pigs saved per litter.

The number of sows bred or to be bred for fall farrowing in 1925 is reported as about 98 per cent of the number that actually farrowed in the fall of 1924. Previous surveys have shown that fall farrowings have been from 20 to 25 per cent less than the number reported bred. However, because of the very considerable improvement in hog prices over this time last year it is probable that breeding intentions will be more nearly carried out than they have been during the past three years.

It is possible that the complete tabulation of the Corn Belt returns may show some changes in the above figures, but it is not expected that such changes will materially affect the situation as here shown.

* Preliminary.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

June 15, 1925.

Actual prices received by producers at local farm markets as reported to the Division of Crop and Livestock Estimates of this Bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

		5-yr. Av. Aug.1909- July,1914	June Av. Aug.1909- July,1914	June 1924	May 1925	June 1925
Cotton, per lb.	¢	12.4	12.7	27.8	23.0	23.0
Corn, per bu.	¢	64.2	68.4	80.8	107.5	111.0
Wheat, per bu.	¢	88.4	89.0	98.5	149.1	152.7
Hay, per ton	$	11.87	12.16	13.75	12.17	11.82
Potatoes, per bu.	¢	69.7	71.8	100.7	70.6	84.4
Oats, per bu.	¢	39.9	41.8	46.8	45.4	48.3
Beef cattle, per 100 lbs.	$	5.22	5.44	5.79	6.48	6.46
Hogs, per 100 lbs.	$	7.23	7.16	6.55	10.78	10.82
Eggs, per dozen	¢	21.5	16.7	21.1	24.8	26.1
Butter, per lb.	¢	25.5	23.2	36.3	39.5	38.2
Butterfat, per lb.	¢	----	----	37.1	40.3	39.9
Wool, per lb.	¢	17.7	17.5	36.0	36.9	35.7
Veal calves, per 100 lbs.	$	6.75	6.77	7.91	8.35	8.18
Lambs, per 100 lbs.	$	5.91	6.30	11.21	11.99	11.62
Horses	$	142.00	145.00	77.00	82.15	80.90

No outstanding price changes were indicated by the June 15 farm prices. Grain prices continued to advance slightly from the low point of April, wheat, corn, and oats each making a gain of about 3 cents from May 15 to June 15. Cotton remained the same although prices at the spot markets have increased slightly since May 15.

Hog prices were practically the same on June 15 as on May 15 at both local and central markets. Market prices during May and June have fluctuated violently, but the present trend appears to be definitely upward. There was little change in either the farm or market price of beef cattle, but because of the seasonal increase in the proportion of good quality long fed cattle the average price of beef steers showed some increase since May 15. Eggs were higher than in May; their usual seasonal advance seems to be nearly a month ahead of last year.

PRICE INDEXES FOR MAY AND JUNE, 1925.

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics, (latter shown to nearest whole number.) Shows year ago, and latest available months:

Farm Products

(Prices at the farm, Aug. 1909 - July 1914 = 100.)

	June 1924	May 1925	June 1925	Month Trend
Cotton	224	185	185	Unchanged
Corn	126	167	173	Higher
Wheat	111	169	173	Higher
Hay	116	103	100	Lower
Potatoes	144	101	121	Higher
Beef cattle	111	125	124	Lower
Hogs	90	149	149	Unchanged
Eggs	98	115	121	Higher
Butter	142	155	150	Lower
Wool	202	207	201	Lower

Commodity Groups

(Wholesale Prices; 1910-1914 = 100.) 1/

	May 1924	Apr. 1925	May 1925	Month Trend
Farm products	136	153	152	Lower
Food, etc.	136	153	152	Lower
Cloths & clothing	190	194	192	Lower
Fuel & lighting	206	196	195	Lower
Metal & met. products	144	138	136	Lower
Bldg. materials	186	180	179	Lower
Chemicals, etc.	126	132	132	Unchanged
House-furnishing goods	178	176	176	Unchanged
ALL COMMODITIES	150	159	158	Lower

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

RELATIVE PURCHASING POWER

(At May 1925 Farm Prices)

Aug. 1909 - July, 1914 = 100

	Of a Unit of:				
In terms of:	Cotton	Corn	Wheat	Hay	Potatoes
All commodities	117	106	107	65	64
Cloths, etc.	97	87	88	53	53
Fuel, etc.	95	86	86	53	52
Metals, etc.	136	123	124	75	74
Bldg. Materials	104	94	94	57	57
House-furnishing goods	105	95	96	58	57

	Beef Cattle	Hogs	Eggs	Butter	Wool
All commodities	79	94	73	98	131
Cloths, etc.	65	78	60	81	108
Fuel, etc.	64	76	59	79	106
Metals, etc.	91	109	85	114	152
Bldg. materials	70	83	64	87	116
House-Furnishing goods	71	81	65	88	118

The level of farm prices as measured by the price index of 30 farm products declined 1 point from 147 in April to 146 in May and increased to 147 in June. Wholesale prices of all commodities and of the non-agricultural groups decreased one point from April to May. As a result there was no change in the relative purchasing power of farm products in terms of non-agricultural commodities from April to May, the index remaining at 90.

Present tendencies in the general business situation point to little change in the prices of non-agricultural commodities and consequently no marked change in the purchasing power of farm products need be expected for June.

GENERAL TREND OF WAGES AND PRICES

1910 -1914 =100

Year and Month	General Wage Level N.Y.factory workers	Farm Wages 2/	Retail Price of Food 1/	Wholesale Price of Food 1/	Wholesale Price All Commodities Bureau of Labor Statistics
1910	---	97	96	100	103
1911	---	97	95	96	95
1912	---	101	101	103	101
1913	---	104	103	99	102
1914(June)	100	101	106	101	100
1915	101	102	104	104	103
1916	114	112	117	120	129
1917	129	140	151	166	180
1918	160	176	174	187	198
1919	185	206	192	205	210
1920	222	239	210	218	230
1921	203	150	158	143	150
1922	197	146	146	137	152
1923	214	166	151	143	156
1924	218	166	150	143	152
1924					
January	219	159	154	142	154
February	218	---	152	142	154
March	222	---	148	140	153
April	218	161	146	136	151
May	217	---	145	136	150
June	214	---	147	135	147
July	213	168	148	138	150
August	216	---	149	143	152
September	221	---	151	147	152
October	217	171	153	151	155
November	218	---	155	153	155
December	222	---	156	157	160
1925					
January	223	156	159	159	163
February	220	---	156	156	164
March	224	---	156	158	164
April	218	163	155	153	159
May	221	---	156	152	158

1/ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

2/ Index based on both monthly and daily wages.

NEW INDEX OF GENERAL TREND OF PRICES

On Five-Year Base, August, 1909 - July, 1914 = 100

The following table presents the new index of prices of principal groups of farm products, rather than the two groups, crops and livestock, as previously presented. These indexes are on a five-year base which is regarded as a better normal base than the one year, 1913. By coincidence, the index for "all groups" and the dairy and poultry products groups equaled 100 in 1913.

Year and Month	Index numbers of farm prices							Wholesale Prices of Non-Agricultural Commodities 1/	Relative purchasing power of Farmer's Product 2/
	Grains	Fruits and Vegetables	Meat Animals	Dairy & Poultry Products	Cotton and Cottonseed	Unclassified	All Groups 30 Items		
1910	104	91	103	101	113	102	103	102	101
1911	96	106	87	95	101	103	95	96	99
1912	106	110	95	103	87	106	99	100	99
1913	92	92	108	100	97	94	100	105	95
1914	103	100	112	101	85	95	102	97	105
1915	120	83	104	99	78	95	100	101	99
1916	126	123	120	106	119	100	117	138	85
1917	217	202	173	133	187	130	176	182	97
1918	226	162	202	160	245	157	200	188	107
1919	231	189	206	182	247	162	209	199	105
1920	231	249	173	197	248	152	205	241	85
1921	112	148	108	151	101	90	116	167	69
1922	105	152	113	135	156	94	124	168	74
1923	114	136	106	147	216	109	135	171	79
1924	129	124	109	137	211	100	134	162	83
1924									
Apr.	113	128	106	126	226	98	130	164	80
May	114	132	107	123	222	94	129	162	80
June	116	146	105	123	219	95	130	159	82
July	130	142	103	122	215	101	132	158	83
Aug.	141	138	116	123	219	103	139	159	87
Sept.	140	113	115	133	175	100	132	158	83
Oct.	150	109	121	142	182	102	138	158	87
Nov.	147	108	115	150	179	106	137	160	86
Dec.	155	110	113	158	176	102	139	163	85
1925									
Jan.	172	122	123	154	182	94	146	165	88
Feb.	178	131	126	142	183	96	146	167	88
Mar.	172	138	145	134	195	94	151	165	91
Apr.	152	146	146	131	189	94	147	162	90
May	159	162	139	132	184	87	146	161	90
June	164	184	139	132	183	76	147	---	--

1/ Computed by Bureau of Labor Statistics from wholesale prices of all commodities except those from United States farms. 1910-1914 = 100. 2/ The value of a unit of the farmer's product in exchange for non-agricultural products at wholesale prices, compared with pre-war values. Obtained by dividing index of all groups (30 items) by index of wholesale prices of non-agricultural products.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT Receipts Th. bu.	CORN Receipts Th. bu.	HOGS Receipts Thousands	CATTLE Receipts Thousands	SHEEP Receipts Thousands	BUTTER Receipts Th. lbs.
1921 Total	435,606	340,908	41,040	19,764	24,168	472,011
1922 "	413,106	378,598	44,067	23,218	22,364	530,601
1923 "	386,430	271,858	55,330	23,211	22,025	549,207
1924 "	482,007	278,719	55,414	23,695	22,201	591,439
1924 Jan.	15,548	30,594	6,253	1,888	1,697	37,689
" Feb.	20,165	44,689	5,335	1,457	1,412	40,474
" Mar.	17,434	29,405	4,833	1,556	1,367	44,371
" Apr.	10,374	17,926	4,374	1,751	1,348	43,970
" May	16,039	15,988	4,321	1,890	1,344	57,462
" June	16,877	17,392	4,296	1,673	1,550	77,891
" July	39,911	18,453	4,091	1,798	1,672	78,089
" Aug.	88,461	18,841	3,196	1,934	2,005	57,624
" Sept.	81,183	22,084	3,216	2,566	3,027	47,760
" Oct.	84,858	18,877	3,990	2,737	3,295	42,220
" Nov.	58,081	15,231	4,904	2,363	1,879	30,417
" Dec.	33,076	29,239	6,604	2,083	1,605	33,471
1925 Jan.	23,247	35,820	6,105	1,869	1,467	38,118
" Feb.	18,493	20,833	4,558	1,530	1,388	35,421
" Mar.	16,925	23,868	3,528	1,860	1,504	41,027
" Apr.	10,023	9,810	3,247	1,827	1,541	42,559
" May	17,896	11,935	3,283	1,737	1,689	57,276

The marketward movement during May showed about the usual trend. As compared with same month last year, the lighter movement of corn and hogs reflect lessened supplies of both.

Slightly more wheat and about the same quantity of butter came into the markets during May as in same month last year.

COLD STORAGE SITUATION

June 1 holdings (Shows nearest million, six figures omitted:)

Commodity	5-Year Average	Year Ago	Month Ago	June 1, 1925.
Creamery butter, lbs.	16	22	4	13
American cheese, lbs.	18	27	26	29
Case eggs, cases	6,962*	6,875*	4,872*	7,707*
Total poultry, lbs.	40	39	83	68
Total beef, lbs.	91	66	96	75
Total pork, lbs.	839	891	814	749
Lard, lbs.	134	128	152	138
Lamb & Mutton, lbs.	6.1	2.2	1.9	1.9
Total meats, lbs.	1,009	1,028	1,000	905
Apples, bbls.	4.0	7.6	1.1	3.9

The movement into storage of butter, cheese and eggs began during May, which is the normal thing. Poultry and other meats continued to move out of storage.

Storage stocks above average in case of cheese, eggs, and dressed poultry. Stocks below average in case of butter, beef, pork, lamb, and apples. Stocks of lard about average.

*Thousands, or three figures, omitted.

THE TREND OF EXPORT MOVEMENT

Compiled from Department of Commerce reports by Division of Statistical Research of this Bureau.

Month	WHEAT including flour	TOBACCO (Leaf)	BACON** HAMS AND SHOULDERS	LARD	TOTAL* MEATS	COTTON# running bales
	1,000 Bushels	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Pounds	1,000 Bales
1923 May	14,396	28,421	64,608	93,199	72,606	160
1923 12 months	171,928	474,500	828,890	1,035,382	958,473	5,279
1924 January	12,143	47,579	79,067	132,758	90,430	547
" February	10,019	38,414	81,108	99,910	90,462	482
" March	9,374	61,172	66,695	100,726	74,464	332
" April	8,416	59,019	57,546	73,307	64,474	321
" May	7,206	39,661	45,584	62,648	51,427	326
" June	10,257	52,614	44,145	59,475	49,807	231
" July	7,600	32,520	53,769	86,788	60,406	211
" August	21,106	33,410	52,367	75,937	60,180	278
" September	39,244	37,245	43,117	65,810	50,088	737
" October	53,463	56,227	45,365	60,813	52,820	947
" November	35,102	44,229	35,430	49,120	42,395	1,307
" December	24,326	44,168	33,788	76,803	43,114	1,076
1924 12 months	238,256	546,257	637,980	944,095	730,067	6,796
1925 January	12,928	35,446	56,169	78,440	65,705	1,076
" February	11,612	23,806	48,041	60,363	55,438	812
" March	16,202	32,475	53,853	63,281	62,016	740
" April	12,721	30,850	33,413	44,447	39,303	473
" May	12,976	22,415	33,475	71,135	38,977	331

Exports of grain and pork products during May held up strongly. More wheat, lard and cotton, but less meat left the country than in same month last year.

Considerably less cotton was exported in May than during the previous month, although about the same quantity as last year.

* Includes fresh, canned and pickled beef, bacon, hams and shoulders; fresh, canned, and pickled pork; mutton and lamb.

Includes linters.

** Includes Cumberland and Wiltshire sides.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

	1924 May*	1925 Apr.	1925 May	Month's Trend
PRODUCTION				
Pig iron daily (Thou. tons)	84	109	95	Decrease
Bituminous coal (Millions tons)	32	34	35	Increase
Automobiles shipped (Thou. carloads)	36	56	50	Decrease
CONSUMPTION				
Cotton by mills (Thou. bales)	414	597	531	Decrease
Unfilled orders Steel Corp. (Thou. T.)	3,628	4,447	4,050	Decrease
Building contracts (Millions dollars)	359	496	424	Decrease
Hogs slaughtered (Thousands)	2,735	2,039	1,931	Decrease
Cattle " "	1,141	1,163	1,123	Decrease
Sheep " "	723	833	830	Decrease
MOVEMENTS				
Bank clearings (N.Y.) (Billions dollars)	21	23	24	Increase
Car loadings (Thousands)	3,655	3,722	3,934	Increase
Mail order sales (Millions dollars)	27	36	30	Decrease
Men employed, N. Y. State Factories (Thou.)	503	502	495	Decrease
Av. price 25 indus. stocks (Dollars)	106	135	142	Increase
Interest rate (4-6 mo. paper, N. Y.)	4.63	3.97	3.88	Decrease
Retail Food Price Index (Dept. Labor)*	141	151	151	Same
Wholesale Price Index (Dept. Labor)*	137	159	153	Lower

Some easing off in business activity is normal in early summer and has been taking place lately. Manufacturing and general production of basic commodities have dropped off somewhat in the last month. On the other hand, retail trade and the distributive end as a whole continue very active. Low interest rates and sustained demand for buildings and automobiles are the great pillars of strength underlying present business activity.

Observers are not lacking who see in the present business situation a species of inflation. They see the prices of stocks and bonds pushed up to record levels by cheap money and a comparable trend in the industrial field. Then they see the slackening in textiles and railway equipment and the next question is what will happen when demand falls off in building and automobiles? So far as agriculture is concerned, it has relatively little to worry about in the industrial situation this year.

THE DAIRY SITUATION

Division of Dairy and Poultry Products, B. A. E.

The month of June is regarded as a key month on the dairy markets, and for this reason developments during that time often have a great deal of significance. Perhaps the two matters of greatest interest are the storage situation, especially regarding butter and to a lesser degree, cheese, and the production situation with its attendant weather and pasture conditions.

Storing of butter began about the middle of May but at a less rapid rate than last year. During the current month, however, the increase in storage holdings has been fully as great as last June although, due to the low mark reached on May 1, holdings are still considerably less than a year ago. Into-storage movement of cheese during June has been heavy compared with last year in spite of the fact that prices are about 2 cents higher than June, 1924. The general storage situation is characterized by fairly heavy storage movement, but at the same time considerable lack of confidence among operators and little of what might be called active speculative support.

Production remains probably the most important factor influencing market conditions. Butter production during May was about the same as May of 1924, but indications are that the June make is running a little ligter than last June. Receipts at the four markets since June 1 this year show a decrease from last year of some 3 per cent. This decrease is largely due to the period of extremely hot and dry weather that occurred at the opening of the month. More recently these conditions have been just about reversed with beneficial rains reported over a widespread area with more moderate temperatures prevailing. For the moment, production conditions appear fairly favorable, but the possibility of the season developing as favorably as last year from the standpoint of a heavier production remains rather remote. Condensed and evaporated milk production is still apparently being affected somewhat by the relatively high prices of butter and cheese with some appreciable diversion of condensary milk to the creamery and cheese factory. The hot weather has, of course, been a rather effective stimulus to ice cream consumption and it now appears that this year will be a little more favorable than last for this product.

The price situation remains relatively unchanged. Butter and cheese prices have ben held at a level higher than for several years, but it has been difficult to determine any evidence of real trend as prices hovered within a very narrow range. The June butter price fluctuations have been within a cent and a half from opening to close with cheese prices occupying an even closer range. In general, it appears that butter prices are well sustained, with lighter production and a fairly good movement of current receipts the supporting factors. Cheese markets do not seem to be on as substantial a basis if recent unsettled sentiment and price declines at country markets may be taken as a criterion. Concentrated milk prices have been well supported despite heavy increases in manufacturers' stocks.

DAIRY SITUATION

(Thousand pounds, i.e. 000 omitted)
Stocks on hand - June 1 - United States

	In Cold Storage		In Manufacturers' Hands	
	Butter	Cheese	Cond. & Evap. Milk	Milk Powder (Inc. skim)
1925	12,863	42,807	191,722	8,005
1924	22,348	42,644	199,602	13,323
Change	-9,485	+ 163	- 7,880	-5,318
Per cent of change	-42	+ .4	- .4	- 39.9
5 yr. av.	-19.8	+ 47.8	---	---

Receipts of Butter and Cheese - Jan. 1, to May 31

	Butter at Four Principal Markets	American Cheese Wisconsin Markets	May Butter Receipts
1925	202,835	96,829	54,356
1924	212,652	96,140	53,964
Change	-9,817	+ 689	+ 392
Per cent of change	-4.6	+ .7	+ .7

Net Imports and Exports - May

	Butter	Cheese	Cond. and Evap. Milk	Milk Powder (1)
1925	82 Ex.	3,945 Im.	13,988 Ex.	41 Im.
1924	31 Ex.	3,620 Im.	13,778 Ex.	278 Ex.
Change	+51 Ex.	+ 325 Im.	+ 210 Ex.	319 ---

(1) Inc. skim

BUTTER SUMMARY

	1925	1924	1925 Change	% Change
In storage Jan. 1	65,657	30,299	+ 35,358	+ 116.7
Production, farm and factory Jan. 1 to May 31	701,219	720,970	-19,751	- 2.7
Net imports	4,783	13,784	- 9,001	- 65.3
TOTAL	771,659	765,053	+6,606	---
In Storage June 1 . . .	12,863	22,348	-9,485	-42.4
Apparent consumption Jan. 1 to May 31.	758,796	742,705	+16,091	+2.17
Average per month	151,759	148,541	+ 3,218	+2.17
Apparent consumption for May	195,286	191,908	+ 3,378	+1.7

THE POULTRY AND EGG SITUATION

Division of Dairy and Poultry Products, B. A. E.

Receipts of eggs at the four markets during May ran consistently behind the same month last year. As a result total receipts for this year changed from a surplus on May 1 over last year to approximately the same figure on June 1. Early in June, receipts this year again ran ahead but this spurt was short lived and by the middle of the month receipts were again running behind.

The movement of shell eggs into the refrigerators during May slowed up decidedly, reducing the surplus of this year's holdings over last from May 1 to June 1 by about 500,000 cases. Stocks of frozen eggs, however, have continued to increase substantially, as might be expected from the continued development of egg breaking facilities at country points, and on June 1 had practically reached the level of last year's holdings.

Lessened receipts and the improvement in the storage statistical position led to a somewhat firmer market. During May, prices advanced about 2 cents per dozen and this advance has been sustained during June. In fact, further advances have been recorded during June on eggs of the best qualities, doubtless reflecting an increasing scarcity as a result of the high temperatures which have prevailed. Late in June the egg market was still several cents higher than a year ago.

Fairly liberal receipts of live fowl and old cocks resulted in a substantial price decline during May. In June, however, receipts of live fowl were lighter and a part of this decline was recovered. Receipts of broilers have increased with the advance of the season, and prices have gradually worked to a lower basis. Live ducks and geese have been in lighter supply, and small price advances have been registered on these classes.

Receipts of dressed poultry continue below last year. Demand has fallen off, however, during the hot weather, and prices have gradually declined to a point but little above these prevailing at the same time last year.

Although there was a slightly better movement of frozen poultry out of the warehouses during May than occurred last year, stocks still remain burdensome. While frozen fowl and turkeys are not greatly in excess, there is still a considerable excess in broilers in the freezers and the excess of roasters and miscellaneous poultry is large. A substantial price decline occurred in fowls and broilers during May, and fancy quality in both these classes is becoming scarcer. Quotations on roasters have been well maintained in spite of the large supply on hand. Sentiment, however, is not as strong as the quotations might indicate and the bulk of sales have been made at less than top quotations.

POULTRY AND EGG SITUATION.

(Thousands, i.e. 000 omitted)

Stocks in Storage - June 1 - United States

	Shell eggs (Cases)	Frozen eggs (Pounds)	Dressed poultry (Pounds)
1925	7,707	29,535	68,277
1924	6,875	29,956	39,299
Change	+ 832	- 421	+ 28,978
Per cent	+ 12.1	- 1.4	+ 73.7
% change from 5-yr. av.	+ 10.7	+ 34.6	+ 69.7

Imports and Exports of Poultry and Eggs - January 1, to May 31

	Imports 1925	1924	Exports 1925	1924
Shell eggs (dozens)	438	193	11,522	14,358
Whole eggs, dried (Lbs.)	285	521)		
Whole eggs, frozen (Lbs.)	3,006	1,201)	78	372
Yolks, dried (Lbs.)	266	402)		
Yolks, frozen (Lbs.)	1,229	1,511)		
Egg albumen, dried (Lbs.)	529	134		
Egg albumen, frozen, prepared or preserved (lbs.)	732	595		
Live poultry, (Lbs.)	64	63	306	334
Dressed poultry (Lbs.)	(2) 973	(2) 759	(1) 4,407	(1) 3,691
Canned poultry (Lbs.)	(3)	(3)	(3)	45

(1) Includes game. (2) Includes poultry dead and prepared. (3) Not separately stated.

Receipts and Apparent Trade Output at Four Markets - Eggs (Cases)

	MAY Receipts	MAY Net storage Movement	MAY App. trade Output	JAN. 1 - MAY 31 Receipts	JAN. 1 - MAY 31 Net storage Movement	JAN. 1 - MAY 31 App. trade Output
1925	2,124	+ 1,059	1,065	8,067	+ 2,148	5,919
1924	2,464	+ 1,435	1,029	8,101	+ 1,536	6,565
Change	- 340		+ 36	- 34		- 646
Per cent	- 13.8		+ 3.5	- .4		- 9.8

Receipts and Apparent Trade Output at Four Markets - Dressed Poultry (Lbs.)

	MAY Receipts	MAY Net storage movement	MAY App. trade output	JAN. 1 - MAY 31 Receipts	JAN. 1 - MAY 31 Net storage movement	JAN. 1 - MAY 31 App. trade output
1925	16,167	- 9,588	25,755	91,505	- 42,484	133,989
1924	17,320	- 9,467	26,787	116,391	- 34,858	151,249
Change	- 1,153		- 1,032	- 24,886		- 17,260
Per cent	- 6.7		- 3.8	- 21.3		- 11.[illegible]

THE SITUATION IN VARIOUS KEY STATES

(From Reports of State Statisticians of this Bureau)

CALIFORNIA - The month of May brought about a varied assortment of weather for California, but on the whole it was more favorable than adverse to agriculture. Temperatures varied little from the normal for the month as a whole. There were intermittent spells of cool weather followed by periods of higher temperatures. Two rainy periods occurred during the month, namely May 11 to 14 and May 17 to 21. The latter rain extended throughout the entire State, while the former was confined to the central coast and northern counties. The State was well drenched during these storm periods, the rainfall record for May of 75 years standing being broken in the San Francisco Bay region and other localities in the northern part of the State.

The oat crop was improved to some extent by the various rains, but wheat and barley lodged badly in some sections. The wheat and barley harvest is progressing favorably throughout southern California, the central coast counties and the great interior valley. Fair to good yields are generally reported. The rice crop would be improved by higher temperatures. A good stand of cotton is reported from all sections, and the crop is making fair progress. Bean planting in the great interior valley is now in progress. In the coast counties and southern California some replanting of beans was necessary on account of the heavy rainfall, May 17 to 21. Many thousand tons of hay in the swath or shock were completely spoiled by the heavy May rains. Nevertheless, one of the largest hay crops ever produced in California is now indicated, although there is an important decrease in the acreage of grain hay.

The cherry crop was severely damaged by the heavy rainfall. Total shipments are estimated at 400 cars or only about 60 per cent of the expected carlot movement. A heavy "drop" occurred in the pear growing districts during the month and an important decline in condition is noted, although with the increased bearing acreage the crop promises better than last year. Conditions favor fair to good crops of peaches, plums, prunes and grapes. Apples will be a poor crop; not over 50 per cent of a normal.

The condition of all classes of livestock is excellent. Grass fat cattle are going to market in goodly numbers, although there has been a slight slump in prices the past month. The spring lamb movement to eastern markets is over for the year. Total shipments to June 6 amounted to about 330,000 head. Very little activity in the wool market. Some few clips have been sold from 31 to 35 cents per pound. There is a tendency on the part of the wool grower to hold for higher prices. -- E. E. Kaufman.

COLORADO - Fairly general rains since June 7 have temporarily broken the drought and benefited late planted crops and pastures. These rains, however, came too late to benefit spring grains and winter wheat in the exceedingly dry sections of the State, particularly in the north, central and southeastern portions.

These rains will tend to increase the planting of all late crops that still have time to mature, and also late forage crops. There has been the usual hail damage in connection with these rains. The irrigation water situation has slightly improved, the direct flow water in some streams having been considerably increased and the need for using reservoir supplies correspondingly delayed. Corn planting is nearing completion, some replanting since recent showers.

There was a heavy loss of sugar beet acreage before the recent rains occurred. The condition of the remainder is improving. The outcome of all crops will depend upon timely and sufficient moisture as the season advances. Present moisture supplies can only afford temporary relief. Lettuce and cantaloups are reported in good condition; and onions and cabbage have improved. The apple and pear crops are fair to good, while peaches and cherries are generally poor. There has been some minor frost damage to crops in the northwest. Livestock continue in good condition, the outlook is better. Recent rains will improve ranges and especially if the remainder of the season is not too dry. Calf and lamb crops are generally good. Shearing is about completed. -- W. W. Putnam.

GEORGIA - The first of June found practically all growing crops in the State needing rain badly. Showers have relieved the situation over a considerable area, greatly benefiting all crops, but in many localities not yet favored the outlook is discouraging.

In the northern half of the State, early corn has been severely damaged by dry weather. Later plantings are now making satisfactory progress where showers have been received. The prospects for corn and other feed crops are very good in most of southern Georgia.

Cotton is now blooming freely in a number of southern counties, stands are good, and the crop is growing rapidly in that section. Weevils are present in rapidly increasing numbers and the damage that this pest will do is largely dependent upon weather conditions during the next few weeks. In northern Georgia, early plantings are progressing very nicely and are well advanced, while stands of intermediate and late plantings are very irregular and the plants small. Scattered localities in northern Georgia have not yet received sufficient rainfall since planting to bring the crop up, and considerable replanting has been necessary in these areas.

Small grain harvest is about completed, with very low yields obtained. The unusually dry season caused very irregular stands of tobacco, as a rule, and greatly retarded growth. However, since rains have fallen over most of the area this month the crop has improved remarkably and fair yields are expected. The tobacco acreage was increased tremendously over last year's figure, and, if the crop is a success this year, a very heavy increase the succeeding year may be expected.

Indications are that the peach crop will be much more satisfactory to the growers than was last year's bumper crop. Varieties are ripening in better order, quality is good, and prices received have been very satisfactory.

The labor situation is much better than at any time during the past few years, and with the season favorable for early and thorough preparation of the soil, we have substantially increased our total crop acreage.

Generally speaking, the outlook is brighter than in several years. -- V. C. Childs.

ILLINOIS - The present agricultural situation in Illinois can not be rated better than fair, due to the adverse effects of prolonged drought. The most encouraging feature is the favorable corn crop prospect on an expanded acreage. This crop is growing rapidly. Fields are clean and getting off to a good start generally. Other factors contributing towards holding up the average are fairly profitable livestock prices with rising prices for dairy products, the best luck in years with spring pig crop, less disease than usual among livestock and farm work well advanced with an ample farm labor supply. On the other hand, it has been very discouraging to farmers to see the general

crop prospect, with the exception of corn and cotton, gradually reduced from the excellent earlier season promise to below average by drought before relieved by general rains on June 12. Hessian fly in wheat and the severe freeze of May 24 damaging less hardy crops and setting growth back were contributing damage factors.

Small grains spotted and below average. Wheat harvest two weeks earlier than last year and now general in central area. Winter wheat fair to good in the more southern and northern areas, spotted fair to poor in the important central and lower central areas with many thin stands, short straw and heads. Quality somewhat uneven due to frost and insect damage. Oats outlook is for a short crop. Late oats benefited by rains, especially in the upper third of the State; very poor as a rule in the central and lower central areas where many fields headed out less than a foot high. Hay crop is the poorest in years and the present outlook is for a shortage over most of the State. Pastures improving since the rains but have been extremely short with the resultant decreased milk production. Broomcorn fair on a heavily reduced acreage. Small fruits are a rather light crop with the exception of grapes. Peach crop fair in extreme south, poor elsewhere. Apples and pears fair with commercial apple prospect slightly better than last year. Melon and vegetable conditions uneven due to frost and drought.

Hog numbers on farms considerably less than a year ago. Fall pig crop marketed earlier than usual due to high-priced corn. Summer market run of hogs will be over 20 per cent short of last year. Cattle and sheep supplies on farms fairly large but somewhat less than last year. Prices for livestock, wool, dairy and dairy products somewhat higher, with poultry and egg prices about the same as last month.

Farm machinery sales, especially labor saving machinery, tractors, two-row cultivators, etc., have shown marked increase over last season. However, the volume of all purchases by farmers has fallen off slightly with the recent slump in the crop outlook. Farm economy, hardening land values, combined with the improved price levels for 1924 crops and livestock have greatly improved the farm credit situation. State banking situation strong. Coal mining industry has had a rather unsatisfactory year due to the moderate run of orders and early lay-off. Building situation has held up remarkably strong, especially private residence construction in cities. The extensive hard road construction program in Illinois has also contributed heavily towards keeping the labor employment situation fairly satisfactory. Reports from the various lines of business vary, mostly favorable in the larger cities due to some extent to the expansion of the easy credit system. The general run of business will measure up to average for this time of year. -- A. J. Surratt.

TEXAS - Weather conditions during June have been unfavorable as a whole. Rains have fallen only in local areas, and high temperatures with hot winds have set crops back. There are very few places which have more than surface moisture. In general, it may be said that the northern half of the State is in from fair to good condition and the southern half in from very poor to good. The wheat and oats have turned out very poorly and the corn crop amounts to but little except in scattered localities. A large acreage of grain sorghums is being depended upon for forage and grain.

Hay crops are late and light as a result of the long duration of the drought. The condition of the cotton crop varies from very poor in the south central counties to fair to good in most of the counties in the upper part of the State. Favored localities scattered through all districts have good prospects, but most of the crop needs a slow, soaking rain to stop the deterioration.

Watermelon shipments are in full swing, leading last year's movement by many cars. As a result of lack of moisture and the hot weather, the peach crop will not reach the earlier expectations. Green tomato shipments have been very heavy and prices satisfactory. Pastures are needing rain. An improvement in wool prices has stimulated sales of the clip just finished.

Business has experienced a slowing down owing to the long continuance of the drought over much of the State. In the cattle, sheep and goat sections the banks have felt unusual demands for money and have had to rediscount more than at this time last year. Wool and mohair proceeds and those from the sale of cattle were used in a large measure to maintain flocks and herds until the spring rains began. As a consequence, the growers have not been able to reduce their indebtedness to the extent of last year, and their purchasing power has been correspondingly curtailed. Similar conditions prevail in the wheat and oat sections and are becoming increasingly noticeable elsewhere. The larger lumber mills have reduced their production on account of the lessened demand, and prices have been lowered considerably. Farm machinery sales have dropped off severely. Retailers in most lines are not discounting as before but are taking full time in paying their accounts. There is a feeling generally that they may need all available funds to tide them over should conditions fail to improve. -- H. H. Schutz.

WISCONSIN - A drought in April and May in Wisconsin is extremely unusual, the consequences of which were manifest on June 1. June, however, brought rains -- heavy and frequent -- laying up reserves of soil moisture greater than at any time this year. The hazardous crop outlook on June 1 has, accordingly, been changed into one more normal and promising.

The damage of the drought to hay and to some early peas for canning was beyond repair. The hay crop will be short.

Pastures have now improved. Oats and barley have favorable conditions for growth. Stands and growth of corn are very good and giving encouragement to the general hope that this year will be a corn year, -- reversing the past two seasons.

Milk production per cow on June 1 from our data was fully up to June 1 a year ago. Milk prices have been high enough to encourage feeding while pastures were extremely short. With pastures still improving, the flush of the season will probably be around July 1 this year.

Butter prices are about 10 per cent better than last year and cheese fully 20 per cent better. The quotation of 20½ cents for cheese on June 12 at Plymouth -- 4 cents a pound higher than last year -- has made the trade hesitant about buying for storage at this high level. -- Paul O. Nyhus.

THE AGRICULTURAL SITUATION

A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS.
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

July 1, 1925.

MODERATELY GOOD PROSPECT

Progress of the crops holds the center of the stage at present. It has been all kinds of a growing season, opening up very early, cold in May, hot in early June, too dry in the East, Central West, and Southwest, too wet in portions of the North. On the whole, the spring planted crops except oats are in fairly good shape to date, but winter grains and grass are not showing up so well. Oats suffered from heat and drought and headed short. Haying is now well under way, with much of the crop short and weedy. It seems apparent that the supply of forage will be unusually dependent upon the weather during July and upon the outturn of fall crops.

Wheat harvest - the nation's most spectacular agricultural operation - is in full swing. The grain ripened prematurely over much of the western part of the Belt, and harvest is early. Threshings so far have turned out unsatisfactory yields but grain of fairly good quality. It appears evident that the winter wheat crop is decidedly short of last year's crop; so much so that the chief conjecture throughout the wheat-growing world is how the shrinkage in this country will balance up against better crops abroad. The spring wheat region from Minnesota to Montana has high hopes in spite of some local floods in the East and minor setbacks elsewhere.

Notwithstanding the attention just now focused on wheat, events in the Corn Belt are perhaps even more significant in relation to the general situation. The outlook there is apparently good. Hogs are relatively high priced and may go higher. The pig survey shows a decline of 11 per cent in the number of spring pigs compared to last year. Corn prices are not so high as to prohibit feeding. The corn crop was in the ground early, has made good progress, is generally clean and well tilled. Everything points to a profitable feeding season ahead. It is from conditions like this year, when price ratios furnish a stimulus to feeding, that the Corn Belt can usually hope for some degree of prosperity.

In the South, things are also coming along in fairly good shape, taken as a whole. Cotton is in all stages, with blooms beginning in the North while the first bale was ginned more than a month ago down in the Rio Grande Valley. Showers have helped conditions over parts of Texas and Oklahoma while in the East they have somewhat encouraged the boll weevil. All the Belt has been in need of good, soaking rains.

The central fact in the present outlook is that, while production will be ample, agriculture will not be in the market this fall with any unwanted surplus of the major products. Given strengthening livestock markets and fair feed crops, plus fair returns from wheat and cotton, farmers would come out of 1925 better than they have in most of the years since 1919. Of course, much can happen between now and the harvest of fall crops. Taken as a whole, the main crops promise fairly well except in case of winter wheat. The present nice balance in both livestock and crop production is a tribute to the readjustments made by American farmers since the fall of 1921.

KEY REGIONS AT A GLANCE

THE EAST - Suffering from effects of drought. Grains and grass light. Pastures poor to fair. Corn and potatoes doing fairly well. Haying and wheat harvest under way. Not much change in dairy industry. General tone of the region about like last year.

THE SOUTH - Generally too dry, though relieved by local showers through the east. Cotton doing fairly well in spite of some weevil damage in east, and lice, grasshoppers, and drought in the west. Corn, rice, cane and other crops making good progress except where too dry. General sentiment moderately optimistic.

CORN BELT - Been too dry, although corn has made good progress, on the whole. Crop now about waist high. Winter wheat harvest on, with straw short and grain yield poor to fair. Hay thin and short. General undertone of optimism based on corn outlook and strengthening livestock prices.

WHEAT BELT - Harvest swinging north up through Nebraska. Much grain ripened prematurely in western portion of Belt. Straw short and yields poor to fair. Much grain of fairly good quality, however. Spring wheat doing well as a whole, but with some flooded lowlands in eastern Belt, and local complaints of rust and insects.

RANGE COUNTRY - Range good and livestock generally in good condition except in south. Alfalfa, sugar beets, potatoes, fruit and other irrigated crops doing very well. In Arizona and New Mexico, drought is still pinching the ranges, and it is too dry in portions of Colorado and Utah. Situation as a whole a little more favorable than last year.

PACIFIC COAST - Had some hot weather but crops generally making good progress. Wheat harvest on in north; heat somewhat severe for spring wheat. Truck crops maturing in south; naval oranges well developed; shipment of lemons and valencias continues.

RESULTS OF JUNE PIG SURVEYS IN CORN BELT TO DATE

Percentages of Preceding Spring

	1922	1923	1924	1925*
Sows farrowed	122.8	108.0	79.7	80
Pigs saved	-----	105.8	82.9	89

A decrease of about 20 per cent in the number of sows farrowing in the 11 Corn Belt States in the spring of 1925 compared with the spring of 1924 is indicated by a preliminary tabulation of the June, 1925, pig survey. This survey was made as of June 1 by the Department of Agriculture in cooperation with the Post Office Department through the rural carriers.

MOVEMENT TO MARKET

The marketward movement during May showed about the usual trend, as compared with same month last year, the lighter movement of corn and hogs reflect lessened supplies of both.

Slightly more wheat and about the same quantity of butter came into the markets during May as in same month last year.

Receipts at primary markets, in terms of thousands:

	Wheat Th.bu.	Corn Th.bu.	Hogs Thousands	Cattle Thousands	Sheep Thousands	Butter Th.lbs.
1924, May	16,039	15,988	4,321	1,890	1,344	57,462
1925, "	17,896	11,935	3,283	1,737	1,689	57,276

EXPORT MOVEMENT

Exports of grain and pork products during May held up strongly. More wheat, lard and cotton, but less meat left the country than in same month last year.

Considerably less cotton was exported in May than during the previous month, although about the same quantity as last year.

Exports in terms of millions (cotton in thousands:)

	Wheat,bu. inc.flour	Tobacco lbs.	Bacon, hams & Shoulders,lbs.	Lard lbs.	Total Meats,lbs.	Cotton run.bales
1924, May	7	40	46	63	51	326
1925, "	13	22	33	71	39	331
1923, 12 mos.	172	474	829	1,035	958	5,279
1924, " "	238	546	638	944	730	6,796

*Preliminary.

COLD STORAGE SITUATION

The movement into storage of butter, cheese and eggs began during May, which is the normal thing. Poultry and other meats continued to move out of storage.

Storage stocks above average in case of cheese, eggs, and dressed poultry. Stocks below average in case of butter, beef, pork, lamb, and apples. Stocks of lard about average.

June 1 holdings in terms of millions:

	5-Year Average	Month Ago	June 1, 1925.
Creamery butter, lbs.	16	4	13
Case eggs, cases	6,962*	4,872*	7,707*
Total beef, lbs.	91	96	75
Total pork, lbs.	839	814	749
Total meats, lbs.	1,009	1,000	905
Apples, bbls.	4.0	1.1	3.9

PRICES AND PURCHASING POWER

The level of farm prices as measured by the price index of 30 farm products declined 1 point from 147 in April to 146 in May and increased to 147 in June. Wholesale prices of all commodities and of the non-agricultural groups decreased one point from April to May. As a result, there was no change in the relative purchasing power of farm products in terms of non-agricultural commodities from April to May, the index remaining at 90.

Present tendencies in the general business situation point to little change in the prices of non-agricultural commodities and consequently no marked change in the purchasing power of farm products need be be expected for June.

BUSINESS SITUATION

Some easing off in business activity is normal in early summer and has been taking place lately. Manufacturing and general production of basic commodities have dropped off somewhat in the last month. On the other hand, retail trade and the distributive end as a whole continue very active. Low interest rates and sustained demand for buildings and automobiles are the great pillars of strength underlying present business activity.

Observers are not lacking who see in the present business situation a species of inflation. They see the prices of stocks and bonds pushed up to record levels by cheap money and a comparable trend in the industrial field. Then they see the slackening in textiles and railway equipment and the next question is what will happen when demand falls off in building and automobiles? So far as agriculture is concerned, it has relatively little to worry about in the industrial situation this year.

* Thousands, or three figures omitted.